

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE COMMISSION,

No. C 06-6003 CW

Plaintiff,

v.

PRELIMINARY JURY  
INSTRUCTIONS

CORT L. POYNER,

Defendant.

**DUTY OF THE JURY**

Ladies and gentlemen: You are now the jury in this case. It is my duty to instruct you on the law.

These instructions are preliminary instructions to help you understand the principles that apply to civil trials and to help you understand the evidence as you listen to it. You will be allowed to keep this set throughout the trial and refer to it. This set of instructions is not to be taken home and must remain in the jury room when you leave in the evenings. At the end of the trial, I will give you a final set of instructions. It is the final set of instructions which will govern your deliberations.

You must not infer from these instructions or from anything I may say or do that I have an opinion regarding the evidence or what

1 your verdict should be.

2 It is your duty to find the facts from all the evidence in the  
3 case. To those facts you will apply the law as I give it to you.  
4 You must follow the law as I give it to you whether you agree with  
5 it or not. And you must not be influenced by any personal likes or  
6 dislikes, opinions, prejudices, or sympathy. That means that you  
7 must decide the case solely on the evidence before you. You will  
8 recall that you took an oath to do so.

9 In following my instructions, you must follow all of them and  
10 not single out some and ignore others; they are all important.

## 11 CLAIMS AND DEFENSES

### 12 A. General Background

13 To help you follow the evidence, I will first give you some  
14 general background information about the parties and explain some  
15 of the basic terms and phrases that you will be hearing.

16 The Plaintiff is the United States Securities and Exchange  
17 Commission, or the SEC, an agency of the United States government,  
18 which Congress has authorized to bring civil actions to enforce the  
19 federal securities laws. The Defendant in this case is Cort L.  
20 Poyner.

21 This case concerns Mr. Poyner's alleged involvement in the  
22 sale of securities by a company called The Children's Internet, or  
23 TCI.

24 A security is an investment of money in a commercial,  
25 financial or other business enterprise, with the expectation of  
26 profit or other gain produced by the efforts of others. Some  
27 common types of securities are stocks, bonds, debentures, warrants,  
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1 and investment contracts. In this case, the "security" involved is  
2 the common stock of TCI.

3 A "publicly reporting company" is a company that files  
4 periodic reports on a quarterly and annual basis with the SEC. A  
5 small business such as TCI must file a "Form 10-KSB" once a year  
6 following the end of the fiscal year for which the report is being  
7 filed. In this case, TCI's fiscal year was the same as a calendar  
8 year and ran from January 1 to December 31. A small business like  
9 TCI must also file a "Form 10-QSB" three times per year with the  
10 SEC, with respect to the first, second and third fiscal quarters of  
11 the year.

12 A "publicly trading company" must be a publicly reporting  
13 company that makes the necessary filings of its annual and  
14 quarterly reports with the SEC. Additionally, the company must  
15 satisfy the requirements for being listed on an exchange such as  
16 the New York Stock Exchange or the NASDAQ so that the company's  
17 shares can be bought and sold by public investors in a securities  
18 market. In this case, the exchange that TCI wanted to list its  
19 shares on is called the "OTC Bulletin Board."

20 **B. Agreed-Upon Facts**

21 The SEC and Mr. Poyner have agreed that the following facts  
22 are true. This means that, in hearing the evidence in this case  
23 and in reaching your verdict, you must treat the following  
24 statements of facts as being true and proven.

25 The Children's Internet, or TCI, is a corporation that was  
26 known as DWC Installations until late 2002. Nasser Hamedani is the  
27 chairman and chief executive officer of another corporation called

1 Two Dog Net. In late February, 2002, Nasser Hamedani signed a non-  
2 binding letter of intent on behalf of Two Dog Net to purchase DWC  
3 Installations' outstanding shares for \$300,000.

4 On March 20, 2002, Two Dog Net paid an initial deposit of  
5 \$50,000 towards the acquisition price of DWC Installations. In  
6 July, 2002, a company named Shadrack Films acquired a controlling  
7 fifty-one percent ownership interest in the stock of DWC  
8 Installations through three payments totaling \$150,000 that came  
9 from Two Dog Net. The other forty-nine percent ownership interest  
10 was acquired in October, 2002 by "Nominees" selected by Nasser and  
11 Sholeh Hamedani, who is one of Nasser Hamedani's daughters and was  
12 the President of Two Dog Net.

13 Sholeh Hamedani owned the shares of Shadrack Films and became  
14 the president and chief financial officer of DWC Installations when  
15 Shadrack Films acquired control of that company during the summer  
16 of 2002. The name of DWC Installations was then changed to The  
17 Children's Internet. Sholeh Hamedani became the president of TCI.  
18 TCI filed its first Form SB-2 registration statement with the SEC  
19 in February, 2003. The SEC declared TCI's registration statement  
20 to be effective in May, 2004. TCI's shares were approved for  
21 listing on the OTC Bulletin Board in late December, 2004, and  
22 started trading in mid-February, 2005.

23 Mr. Poyner is a resident of Boca Raton, Florida. He is the  
24 sole officer, director and shareholder of a Florida corporation  
25 called "Onyx Holdings." He is also the sole officer, director and  
26 shareholder of a Florida corporation called "Onyx Securities."  
27 During 2002, the period covered by this action, Mr. Poyner was not  
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1 licensed by the National Association of Securities Dealers or  
2 registered with the SEC as a broker. During the period covered by  
3 this action, Onyx Holdings and Onyx Securities were not registered  
4 with the SEC as brokers or dealers.

5 Mr. Poyner was not an officer or director of TCI. He was not  
6 an officer or director of Two Dog Net. He was not an officer or  
7 director of DWC Installations. He was not an officer or director  
8 of Shadrack Films.

9 Mr. Poyner did not sell any of the TCI shares he owned until  
10 after TCI's registration statement became effective in May, 2004  
11 and after TCI's shares began trading on the OTC Bulletin Board in  
12 February, 2005. Mr. Poyner played no role in drafting, reviewing,  
13 editing, revising or commenting upon any registration statement or  
14 filing with the SEC whether by TCI, DWC Installations, or any other  
15 entity.

16 As I said, the parties have agreed that the facts I just  
17 described are true. Now I will describe for you the disputed  
18 allegations that each party is making.

19 **C. The SEC's Allegations**

20 The SEC alleges that Mr. Poyner illegally sold securities of  
21 TCI from January, 2002 until around the fall of 2002. His sales  
22 were allegedly illegal because he was not registered as a broker  
23 with the SEC, which the SEC claims was required under the law.  
24 Additionally, Mr. Poyner is alleged to have participated in  
25 offering and selling shares to investors while the shares were not  
26 registered for sale with the SEC, which the SEC also alleges was  
27 required under the law.

1       The SEC also alleges that Mr. Poyner sold TCI shares by making  
2 false statements to the investors and failing to tell them  
3 important information about their investment. In particular, Mr.  
4 Poyner allegedly kept from investors information about where their  
5 money went and how much of it he personally received.

6       The SEC further alleges that Mr. Poyner made false  
7 representations to the investors about how quickly they would be  
8 able to sell their shares on a public securities exchange and make  
9 a profit. The SEC claims that during the time period when Mr.  
10 Poyner was offering or selling the TCI shares, the process had not  
11 even begun for registering those TCI shares so that they could be  
12 sold on a securities market. TCI did not have an effective  
13 registration statement for selling its shares until May, 2004 and  
14 TCI's shares did not begin trading in a public market until  
15 February, 2005.

16       **D. Mr. Poyner's Allegations and Defenses**

17       Mr. Poyner denies the SEC's allegations and contends by way of  
18 his defense that he acted as a finder and a trader -- that is, a  
19 person who introduces parties to a transaction and who trades for  
20 his own account -- and not as a broker or dealer required to be  
21 registered. Mr. Poyner further contends that he made no illegal  
22 sales of securities and that he made no false or misleading  
23 statements to investors.

24       **BURDEN OF PROOF**

25       When a party has the burden of proof on any claim by a  
26 preponderance of the evidence, it means you must be persuaded by  
27 the evidence that the claim is more probably true than not true.

1       You should base your decision on all of the evidence,  
2 regardless of which party presented it.

3                               **WHAT IS EVIDENCE**

4       The evidence from which you are to decide what the facts are  
5 consists of:

- 6       (1) the sworn testimony of any witness;  
7       (2) the exhibits which have been received into evidence; and  
8       (3) any facts to which the lawyers have agreed.

9                               **WHAT IS NOT EVIDENCE**

10       In reaching your verdict, you may consider only the testimony  
11 and exhibits received into evidence. Certain things are not  
12 evidence, and you may not consider them in deciding what the facts  
13 are. I will list them for you:

14       (1) Arguments and statements by lawyers are not evidence. The  
15 lawyers are not witnesses. What they will say in their opening  
16 statements, closing arguments, and at other times is intended to  
17 help you interpret the evidence, but it is not evidence. If the  
18 facts as you remember them differ from the way the lawyers have  
19 stated them, your memory of them controls.

20       (2) Questions and objections by lawyers are not evidence.  
21 Attorneys have a duty to their clients to object when they believe  
22 a question is improper under the rules of evidence. You should not  
23 be influenced by the objection or by the Court's ruling on it.

24       (3) Testimony that is excluded or stricken, or that you are  
25 instructed to disregard, is not evidence and must not be  
26 considered. In addition some testimony and exhibits are received  
27 only for a limited purpose; when I give a limiting instruction, you

1 must follow it.

2 (4) Anything you see or hear when the Court is not in session  
3 is not evidence. You are to decide the case solely on the evidence  
4 received at the trial.

#### 5 **DIRECT AND CIRCUMSTANTIAL EVIDENCE**

6 Evidence may be direct or circumstantial. Direct evidence is  
7 direct proof of a fact, such as testimony by a witness about what  
8 that witness personally saw or heard or did. Circumstantial  
9 evidence is proof of one or more facts from which you could find  
10 another fact. You should consider both kinds of evidence. The law  
11 makes no distinction between the weight to be given to either  
12 direct or circumstantial evidence. It is for you to decide how  
13 much weight to give to any evidence.

14 By way of example, if you wake up in the morning and see that  
15 the sidewalk is wet, you may find from that fact that it rained  
16 during the night. However, other evidence, such as a turned on  
17 garden hose, may provide a different explanation for the presence  
18 of water on the sidewalk. Therefore, before you decide that a fact  
19 has been proved by circumstantial evidence, you must consider all  
20 the evidence in the light of reason, experience, and common sense.

#### 21 **RULING ON OBJECTIONS**

22 There are rules of evidence that control what can be received  
23 into evidence. When a lawyer asks a question or offers an exhibit  
24 into evidence and a lawyer on the other side thinks that it is not  
25 permitted by the rules of evidence, that lawyer may object. If I  
26 overrule the objection, the question may be answered or the exhibit  
27 received. If I sustain the objection, the question cannot be  
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1 answered, and the exhibit cannot be received. Whenever I sustain  
2 an objection to a question, you must ignore the question and must  
3 not guess what the answer might have been.

4 Sometimes I may order that evidence be stricken from the  
5 record and that you disregard or ignore the evidence. That  
6 means that when you are deciding the case, you must not consider  
7 the evidence that I told you to disregard.

#### 8 **CREDIBILITY OF WITNESSES**

9 In deciding the facts in this case, you may have to decide  
10 which testimony to believe and which testimony not to believe. You  
11 may believe everything a witness says, or part of it, or none of  
12 it. Proof of a fact does not necessarily depend on the number of  
13 witnesses who testify about it.

14 In considering the testimony of any witness, you may take into  
15 account:

- 16 (1) the opportunity and ability of the witness to see or hear  
17 or know the things testified to;
- 18 (2) the witness's memory;
- 19 (3) the witness's manner while testifying;
- 20 (4) the witness's interest in the outcome of the case and any  
21 bias or prejudice;
- 22 (5) whether other evidence contradicts the witness's  
23 testimony;
- 24 (6) the reasonableness of the witness's testimony in light of  
25 all the evidence; and
- 26 (7) any other factors that bear on believability.

27 The weight of the evidence as to a fact does not necessarily  
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1 depend on the number of witnesses who testify about it.

2 **EXPERT OPINION**

3 Some witnesses, because of education or experience, are  
4 permitted to state opinions and the reasons for those opinions.

5 Opinion testimony should be judged just like any other  
6 testimony. You may accept it or reject it, and give it as much  
7 weight as you think it deserves, considering the witness's  
8 education and experience, the reasons given for the opinion, and  
9 all the other evidence in the case.

10 **FIFTH AMENDMENT PRIVILEGE**

11 During the trial of this case, you may hear former testimony  
12 by Mr. Poyner in which he refuses to answer certain questions based  
13 upon his Fifth Amendment privilege against self-incrimination.  
14 This privilege allows any witness in a criminal or civil case to  
15 remain silent so that their statements cannot be used against them.

16 Although entitled by the Fifth Amendment to remain silent, a  
17 party in a civil case would normally provide testimony in support  
18 of their claims and defenses, particularly if the testimony relates  
19 to a matter within the party's personal knowledge. As the fact  
20 finders in this case, you are allowed to -- but not required to --  
21 treat any refusal by Mr. Poyner to answer a question on Fifth  
22 Amendment grounds as creating an inference that if he had  
23 testified, his testimony would have been harmful to his defense.  
24 In deciding whether to draw such an adverse inference against Mr.  
25 Poyner for refusing to answer a question on Fifth Amendment  
26 grounds, you should consider the totality of the circumstances.

**OVERVIEW OF APPLICABLE LAW**

I will now give you a brief overview of the law applicable to this case.

**I. Selling Securities Without Being Registered as a Broker**

The SEC alleges that Mr. Poyner violated Section 15 of the Securities Exchange Act, which provides that a person engaged in business as a broker who uses the mails or another instrumentality of interstate commerce to effect any transactions in the sale of securities must be registered with the SEC as a broker. A broker buys and sells securities for clients, usually for a commission.

In order to find in favor of the SEC and against Mr. Poyner for failing to register as a broker, you must be satisfied that the SEC has established, by a preponderance of the evidence, the following three elements:

First: That Mr. Poyner was not registered with the SEC or any agency or entity with whom persons register as brokers. It is not disputed that Mr. Poyner was not registered with the SEC as a broker during the time period relevant to this action, and thus you must take this element as having been proven.

Second: That Mr. Poyner used, or caused to be used, an instrumentality of interstate commerce in an offer or sale of securities. An instrumentality of interstate commerce includes postal mail, e-mail, telephone, telegraph, telefax, interstate highway system, internet and similar methods of communication and travel from one State to another within the United States.

Third: That Mr. Poyner was engaged in the business of effecting transactions in securities for the accounts of others as

1 a "broker," and that Mr. Poyner effected transactions in TCI  
2 shares, or caused or attempted to cause others to purchase or sell  
3 TCI shares. You may consider the following factors as indicating  
4 that Mr. Poyner regularly effected securities transactions so that  
5 he had a duty to register as a broker:

- 6 1. Whether Mr. Poyner's compensation was in the form of  
7 commission payments (that is, a portion of the money  
8 raised), rather than an employee's salary or wage.
- 9 2. Whether Mr. Poyner actively participated in locating  
10 investors to purchase TCI stock, or stock of other  
11 companies.
- 12 3. Whether Mr. Poyner made recommendations to potential  
13 investors regarding the purchase of TCI stock.
- 14 4. Whether Mr. Poyner solicited the purchase of the stock of  
15 other companies besides TCI.
- 16 5. Whether Mr. Poyner was actively involved in negotiations  
17 between potential investors and TCI.

18 A person is not required to register as a securities broker if  
19 he buys or sells securities for his own account or in a fiduciary  
20 capacity, but not as a part of a regular business. In addition, a  
21 person is not required to register as a securities broker if he  
22 acts only as a "finder." A "finder" is a person who does not  
23 effect a securities transaction, but only brings together parties  
24 who may engage in one.

25 The SEC does not need to prove that Mr. Poyner was aware that  
26 he was violating the broker registration requirement. It is no  
27 defense that Mr. Poyner did not know he was required to register.

**II. Selling Unregistered Securities**

The SEC's next claim is that Mr. Poyner illegally sold or offered to sell securities which were not registered with the SEC -- a violation of Section 5 of the Securities Act. In order to prevail on this charge, the SEC must prove by a preponderance of the evidence the following three elements:

First: That no registration statement was in effect as to the TCI shares that were being offered or sold at the time Mr. Poyner is alleged to have sold them. It is not disputed that a registration statement had not been filed with the SEC at the time Mr. Poyner is alleged to have acted as a broker. Therefore, you must take this element as having been proven.

Second: That Mr. Poyner, directly or indirectly, sold or offered to sell TCI shares to investors. The SEC need not prove that Mr. Poyner had direct contact with any of the investors. All that is required for the SEC to prevail on this element is that you find that Mr. Poyner was a necessary participant or a substantial factor in the sale or offering of TCI shares. Thus, if you find that Mr. Poyner employed or directed others to sell or offer to sell securities, or if you find that Mr. Poyner conceived of and planned the scheme by which the unregistered securities were offered or sold, then the SEC has satisfied this element.

Third: That someone used an instrumentality of interstate commerce in connection with the sale, offer to sell, or delivery of the TCI shares. As I explained to you earlier, an instrumentality of interstate commerce includes postal mail, e-mail, telephone, telegraph, telefax, interstate highway system, internet and similar

1 methods of communication and travel from one State to another  
2 within the United States.

3       You should note that, as was the case with the claim that Mr.  
4 Poyner failed to register as a broker, the SEC does not have to  
5 show that he acted with any particular state of mind. All that is  
6 required for the SEC to prevail is that Mr. Poyner sold, offered,  
7 or delivered TCI shares and in so doing used interstate  
8 transportation or communication. It is no defense that Mr. Poyner  
9 did not know he had to register the TCI shares or that he relied on  
10 the advice of a lawyer who told him that the shares did not need to  
11 be registered.

### 12 **III. Securities Fraud (Knowing or Reckless)**

13       The SEC alleges that Mr. Poyner committed securities fraud, in  
14 violation of Section 10(b) of the Securities Exchange Act and  
15 Section 17(a)(1) of the Securities Act, in connection with the sale  
16 of TCI shares to investors during the period of January, 2002 to  
17 September, 2002. To prevail on this claim, the SEC must establish  
18 by a preponderance of the evidence the following four elements:

19       First: That Mr. Poyner made, directly or indirectly, one or  
20 more false or misleading statements of material fact, or omitted to  
21 state material facts.

22       A misrepresentation is a statement of material fact that is  
23 false or misleading when it is made. A statement may be misleading  
24 even if it is literally true, if the context in which the statement  
25 was made caused the listener or reader to remain unaware of the  
26 actual state of affairs.

27       An omission is a failure to disclose a material fact that must  
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1 be disclosed to prevent other statements that are made from being  
2 misleading.

3 A factual representation concerning a security is material if  
4 there is a substantial likelihood a reasonable investor would  
5 consider the fact important in deciding whether or not to buy or  
6 sell that security.

7 An omission concerning a security is material if a reasonable  
8 investor would have regarded what was not disclosed as having  
9 significantly altered the total mix of information he or she took  
10 into account in deciding whether to buy or sell the security.

11 You must decide whether something was material based on the  
12 circumstances as they existed at the time of the statement or  
13 omission.

14 Second: That the misrepresentations or omissions of material  
15 fact were made in connection with the sale of securities under  
16 Section 10(b), or the offer or sale of securities under Section  
17 17(a)(1). If you find that there was a relationship between the  
18 allegedly fraudulent conduct and the sale of TCI shares, then you  
19 should find that the statement or omission was made "in connection  
20 with" such a sale. To prove a relationship, the SEC need only  
21 prove that the fraud "touched" upon the transaction involving the  
22 sale.

23 Third: That Mr. Poyner made the misrepresentations or  
24 omissions of material facts knowingly or recklessly. A person acts  
25 knowingly when he makes an untrue statement with the knowledge that  
26 the statement is false or with reckless disregard for whether the  
27 statement is true. A person acts knowingly if he omits necessary  
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1 information with the knowledge that the omission would make the  
2 statement false or misleading or with reckless disregard for  
3 whether the omission would make the statement false or misleading.  
4 "Reckless" means highly unreasonable conduct that is an extreme  
5 departure from ordinary care, presenting a danger of misleading  
6 investors, which is either known to the defendant or is so obvious  
7 that the defendant must have been aware of it.

8 Fourth: That an instrumentality of interstate commerce or a  
9 facility of a national securities exchange was used. As I  
10 explained to you earlier, an instrumentality of interstate commerce  
11 includes postal mail, e-mail, telephone, telegraph, telefax,  
12 interstate highway system, internet and similar methods of  
13 communication and travel from one State to another within the  
14 United States. It is not necessary that a misrepresentation or  
15 omission occur during the use of the instrumentality of interstate  
16 commerce. All that is required is that such an instrumentality be  
17 used by someone during some phase of the transaction.

18 **IV. Securities Fraud (Negligent)**

19 The SEC also claims that Mr. Poyner is liable for a violation  
20 of Sections 17(a)(2) and (3) of the Securities Act. This violation  
21 is similar to but not the same as the fraud claim I just described  
22 to you. With respect to any misrepresentations or omissions, if  
23 you find that the SEC has established by a preponderance of the  
24 evidence all of the elements of fraud, except that Mr. Poyner did  
25 not act knowingly or recklessly, then you may still find that Mr.  
26 Poyner violated the Securities Act, so long as you find that he was  
27 negligent in making a misrepresentation or omission.



1 Negligence is different from the states of mind of "knowledge"  
2 and "recklessness." "Negligence" involves a lesser standard of  
3 wrongful intent and culpable state of mind than the "knowledge" or  
4 "recklessness" that is required to prove a violation of Section  
5 10(b) of the Securities Exchange Act or Section 17(a)(1) of the  
6 Securities Act. Negligence is the doing of some act which a  
7 reasonably prudent person would not do, or the failure to do  
8 something which a reasonably prudent person would do, when prompted  
9 by considerations which ordinarily regulate the conduct of human  
10 affairs. It is, in other words, the failure to use ordinary care  
11 under the circumstances. Ordinary care is that care which  
12 reasonably prudent persons exercise in the management of their own  
13 affairs, in order to avoid injury to themselves or their property,  
14 or the persons or property of others. Ordinary care is not an  
15 absolute term, but a relative one. That is to say, in deciding  
16 whether ordinary care was exercised in a given case, the conduct in  
17 question must be viewed in the light of all the surrounding  
18 circumstances, as shown by the evidence in the case.

19 **CONDUCT OF THE JURY**

20 I will now say a few words about your conduct as jurors.

21 First, you are not to discuss this case with anyone, including  
22 members of your family, people involved in the trial, or anyone  
23 else; this includes discussing the case in internet chat rooms or  
24 through internet "blogs," internet bulletin boards or e-mails. Nor  
25 are you allowed to permit others to discuss the case with you. If  
26 anyone approaches you and tries to talk to you about the case,  
27 please let me know about it immediately;

1 Second, do not read or listen to any news stories, articles,  
2 radio, television, or online reports about the case or about anyone  
3 who has anything to do with it;

4 Third, do not do any research, such as consulting  
5 dictionaries, searching the internet or using other reference  
6 materials, and do not make any investigation about the case on your  
7 own;

8 Fourth, if you need to communicate with me simply give a  
9 signed note to the clerk to give to me; and

10 Fifth, do not make up your mind about what the verdict should  
11 be until after you have gone to the jury room to decide the case  
12 and you and your fellow jurors have discussed the evidence. Keep  
13 an open mind until then.

14 Finally, until this case is given to you for your deliberation  
15 and verdict, you are not to discuss the case with your fellow  
16 jurors.

17 **NO TRANSCRIPT AVAILABLE TO JURY**

18 During deliberations, you will have to make your decision  
19 based on what you recall of the evidence. You will not have a  
20 transcript of the trial. I urge you to pay close attention to the  
21 testimony as it is given.

22 If at any time you cannot hear or see the testimony, evidence,  
23 questions or arguments, let me know so that I can correct the  
24 problem.

25 **TAKING NOTES**

26 If you wish, you may take notes to help you remember the  
27 evidence. If you do take notes, please keep them to yourself until  
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1 you and your fellow jurors go to the jury room to decide the case.  
2 Do not let note-taking distract you. When you leave, your notes  
3 should be left in the jury room. No one will read your notes.  
4 They will be destroyed at the conclusion of the case.

5 Whether or not you take notes, you should rely on your own  
6 memory of the evidence. Notes are only to assist your memory. You  
7 should not be overly influenced by your notes or those of your  
8 fellow jurors.

#### 9 **OUTLINE OF TRIAL**

10 The trial will now begin. First, each side may make an  
11 opening statement. An opening statement is not evidence. It is  
12 simply an outline to help you understand what that party expects  
13 the evidence will show.

14 After opening statements, the Plaintiff SEC will present  
15 evidence. After Plaintiff's counsel conducts a direct examination  
16 of a witness, counsel for Defendant may cross-examine the witness.  
17 During Plaintiff's presentation of evidence, the Court may, for  
18 efficiency reasons, require Defendant's counsel to conduct his  
19 examination of the witness following Plaintiff's examination. When  
20 Plaintiff has concluded its presentation of evidence, Defendant may  
21 present additional evidence, and counsel for Plaintiff may  
22 cross-examine.

23 After the evidence has been presented, I will instruct you on  
24 the law that applies to the case and the attorneys will make  
25 closing arguments. After that, you will go to the jury room to  
26 deliberate on your verdict. After you have reached your verdict,  
27 you will be excused.